



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

KIRK T. STEUDLE
DIRECTOR

June 5, 2015

Dear Airport Sponsor:

SUBJECT: MICHIGAN AIRPORT PROGRAMMING (MAP) MEETINGS – BLOCK GRANT NON-AERO PM USERS

The airports receiving this programming letter are not approved AERO PM users and have not participated in the training offered by the Office of Aeronautics. You will submit your Airport Capital Improvement Plan (ACIP) as you've done in previous years. A training session for the web-based AERO PM will be scheduled in spring 2016 for any remaining block grant airports that have yet to be trained to use AERO PM for FY 17 programming.

A five-year (2016-2020) ACIP is acceptable in lieu of a ten-year ACIP if the Sponsor has no major development proposed for years 6-10. The standard ACIP form is available on our website, www.michigan.gov/aero (under Programming tab - Block Grant Program).

Sponsors are required to email their ACIP submittals **no later than Wednesday, August 19, 2015** to the following email address: steudleb@michigan.gov. If possible, please submit as a single pdf file with maximum size of 5mb.

If not able to send electronically, please mail three (3) copies to the following address:

Betsy Steudle, P.E.
MDOT Office of Aeronautics
2700 Port Lansing Road
Lansing, Michigan 48906

MAP meetings are held from late August through late November. The sponsor will be contacted to schedule a MAP meeting with the Office of Aeronautics. MAP meeting attendance should include the airport manager, airport sponsor representative, and the airport consultant.

FAA requires MDOT to submit a "Master" State Block Grant ACIP annually by December 15th. The "Master" ACIP is a five –year development plan of proposed projects for all of the block grant airports and is based on the individual sponsor ACIPs and programming recommendations.

Please remember that Non-primary entitlements (NPEs) provided by FAA must be obligated within three years and expended within four years of the applicable block grant execution date. Otherwise, the funding expires and can no longer be used since it's past the Period of Availability (POA).

In the FY 12 – FY 15 FAA Reauthorization Bill, the federal funding share for the majority of block grant airports is 90%. For FY 15, three block grant airports, Ironwood, Jackson & Manistee received the increased 95% federal share since they either met the Essential Air Service (EAS) and Economically distressed areas (EDA) criteria or were granted the higher participation by FAA. The State of Michigan match is anticipated to remain at 5% for those airports receiving 90% federal AIP but will be evaluated annually during the budget review and approval process through the Michigan Legislature.

Airport Capital Improvement Plan (ACIP) Instructions & Guidance:

- 1. Identify all proposed airport development concepts (projects) for the next five (5) years.**
- 2. Utilize multiple resources when developing your ACIP.** This includes Airport Layout Plans (ALP) or Master Plans, Sponsor Pavement Maintenance-Management Programs including the state-provided Pavement Condition Index Report, previous ACIPs, and Exhibit A drawings (Property Inventory Map). Proposed airport development projects including future land acquisition must be shown on a current FAA-approved ALP.
- 3. Prioritize proposed concepts (projects) anticipated for a development year.** For example, if a Sponsor has three proposed concepts (projects) shown in 2017, list the items in priority order with the higher priority shown first. Always consider funding limitations.
- 4. Determine the airport's funding strategy for each concept (project).** At a minimum, the Sponsor is required to show concept (project) budgets for the current year plus four years after (i.e. 2016, 2017, 2018, 2019 & 2020).

Projects having multiple phases or requiring multiple years of funding should be clearly identified with each element tied to the overall project objective. It's expected that the airport sponsor will first use all available entitlement funding towards the project requesting additional funding consideration or for other higher priority projects.

For multi-phased complex projects, Sponsors should include preliminary engineering as part of the phased project. This will allow the Sponsor to provide more accurate project cost estimates which helps the overall planning process and the timing of your project. The Sponsor should also be aware of what steps are necessary for a multi-phased project and correctly identify the phased work items in the ACIP such as environmental review clearance, Benefit Cost Analysis (BCA), land acquisition, wetland mitigation, design phase, etc.

5. Prepare the following attachments for the current development year (2016) plus three years (2017, 2018 & 2019) – Refer to Guidance below:

-Concept (Project) justification. Provide a Concept (Project) Narrative & Justification form for the proposed concept. A standard form is available on our website, www.michigan.gov/aero (under Programming tab - Block Grant Program) or the Sponsor can create a similar one to submit.

Concepts that are not AIP eligible or currently insufficiently justified by local demand and forecasts should not be included in your ACIP. (Example: A proposed runway extension project not currently justified with an approved user survey shouldn't be shown. If you decide to show an unjustified project, show it in the out years so that you can seek the justification required.)

Justification for development projects should be based on established aeronautical demand and based on current federal standards.

-Concept (Project) Sketch. Provide a detailed sketch showing the location of each specific concept and its location on the current approved Airport Layout Plan.

-Concept (Project) Cost Estimate. Provide a detailed cost breakdown of the proposed concept with anticipated funding sources identified. Cost estimates aren't necessary for design phases or for those with one pay item such as airfield crack sealing & paint marking.

6. Environmental Clearance. All concepts (projects) require some type of environmental clearance. Questions to consider include: What type of environmental clearance is anticipated for my concepts? What concepts can be categorically excluded? What concepts may require an environmental assessment? Provide as much information as possible as part of your concept (project) narrative & justification.

Guidance for completing Concept Narrative and Justifications for Airports under the State Block Grant Program:

Sponsors and their consultants shall use FAA's AIP Handbook (FAA Order 5100.38 – current version) for determining project eligibility and justification for projects intended to be funded with federal AIP funds.

-To assist with preparing solid justifications when submitting your ACIP, here are some recommendations and/or requirements you can use to support your assessment of a concept's need. **Remember that all proposed development should be shown on an approved Airport Layout Plan before it can be funded.**

- **For Airfield Pavement Rehabilitations & Reconstructions.** Include dimensions, age of pavement, major distress types, PCI information, or any other factor that is contributing to the need to rehabilitate or reconstruct the pavement. Provide specifics on what's proposed (e.g. mill/fill, crush/shape, reconstruction, surface treatment). Provide width planned and if width exceeds the FAA standard, indicate how that additional pavement will be funded. Include what has been done by the Sponsor to maintain the pavement over its lifetime (i.e. sealing, overlays, etc.). The sponsor may be required to justify an existing runway length and/or width based on the critical aircraft using the particular runway.
- **Rehabilitation of Runway Lighting or Rehabilitation of Taxiway Lighting cannot be included with a concept for Airfield Pavement Rehabilitation.** You must have separate concepts for the pavement rehabilitation and the lighting rehabilitation even though you could combine the concepts together under one federal project (and one Sponsor Contract with MDOT). Refer to FAA AIP Handbook.
- **For Runway Extensions.** The Sponsor must perform a User Survey as an initial step to determine justification for an extension based on the critical aircraft using the particular runway. The justification (e.g. User Survey) must be done as a separate project paid for by the Sponsor. The final determination from the results of the User Survey is provided through MDOT Office of Aeronautics and as necessary, FAA Detroit ADO.
- **For Land Acquisition.** Explain what the land is needed for (i.e. approach protection, RPZ control, future development, etc.). Include if it is a fee or easement acquisition. Include parcel numbers and acreage of those parcels. State whether residences and/or businesses will be acquired and relocated if applicable. **FAA will only reimburse an airport sponsor for land appraisals/consultant fees as part of the actual land acquisition project.** Refer to FAA AIP Handbook.
- **For Snow Removal Equipment & Snow Removal Equipment Buildings.** Required to provide a separate Existing SRE Inventory worksheet and a SRE Calculation worksheet. Both worksheets

are available on our website, www.michigan.gov/aero (under Programming tab - Block Grant Program). In accordance with FAA Order 5100.38, funding snow and ice control buildings is limited to facilities necessary for eligible equipment as well as storing abrasive or chemicals used in treatment of paved areas. At the time the building is programmed, the eligible equipment must be owned, on order, or budgeted by the airport.

- **For Revenue-Generating Facilities (Hangars).** The Sponsor must demonstrate that they have made adequate provisions for funding the airport's airside needs before a subgrant can be issued for a hangar project. The Sponsor is required to submit a Revenue-Generating Facility Eligibility Evaluation Form and support documentation. The form and instructions are available on our website, www.michigan.gov/aero (under Programming tab - Block Grant Program). Only a Sponsor's entitlement funding can be used to fund sponsor-owned hangars.
- **For Revenue-Generating Facilities (Fuel Farms).** Eligibility under AIP effective with the current FAA AIP Handbook includes only the initial installation of a fuel farm at an airport or the expansion of an existing fuel farm if justified. Initial installation of a card reader to a new or existing fuel system is also AIP eligible. Replacement fuel farms are not eligible under AIP. Replacing components on existing fuel farms are considered maintenance/repair and also are not eligible under AIP.
- **For Terminal Buildings.** A terminal study is necessary to determine present useful life, needs, and general concept. The study should evaluate alternatives includes renovating existing, expanding existing, or building new with the most cost-beneficial one being the preferred. Sponsor will need to provide a floor plan drawing(s) and Eligibility Table to assist with determining eligibility. **Eligibility must be determined prior to commencing the design phase of a terminal building project.** Terminal Design is prorated based upon eligible percentage of the building. Tables are available on our website, www.michigan.gov/aero (under Programming tab - Block Grant Program). Generally, only a Sponsor's entitlement funding can be used to fund these types of projects. Refer to FAA AIP Handbook.
- **For Apron Expansions.** Provide the name (specific location) of apron. As part of the narrative, include the current size of the apron and the proposed expansion area. Provide reason for more apron space and what the expanded area will be utilized for. Refer to FAA's AC 150/5300-13 (current design AC) Chapter 5 and Appendix 5 for guidance.
- **For new Taxiways.** Provide the taxiway designation, length & width. As part of the narrative, include specifically what the taxiway will serve. Is it a parallel taxiway to a runway? To serve a hangar area? If the width exceeds the FAA standard, indicate how that additional pavement will be funded.
- **For Fencing.** As part of the narrative, include the height of fencing and lineal footage planned. Indicate reason for fencing (i.e. animal control, security, etc.).
- **For Airfield Crack Sealing and/or Paint Marking.** If you plan to do airfield crack sealing and/or paint marking as a stand-alone project either through our Statewide Program or bid separately for the current year (2016), an Economic Necessity Certification Form must be

completed and signed by the Sponsor. The Sponsor is certifying that they do not have funds available for eligible routine pavement maintenance using their own resources and that they have a Pavement Maintenance Plan in place and available upon request from FAA or MDOT. The form is available on our website, www.michigan.gov/aero (under Programming tab - Block Grant Program). Airfield paint marking and crack sealing is eligible under AIP once in a three-year period of time.

- **For Crosswind Runways.** FAA looks at the following criteria for determining AIP eligibility of a crosswind runway: wind coverage and regular usage for the proposed crosswind runway.

In accordance with FAA Advisory Circular (AC), 150/5300-13, a crosswind runway is recommended when the primary runway orientation provides less than 95.0 percent wind coverage. The 95.0 percent wind coverage is computed on the basis of the crosswind component not exceeding the allowable value, as listed in Table 3-1 of the AC, per Runway Design Code. The runway should be long enough to accommodate landing and departures for the design aircraft needing the runway. AC 150/5325-4 describes procedures for establishing the appropriate runway length.

In order for a crosswind runway to be eligible, both the wind coverage and operational usage criterion must be met. The FAA has recommended that airport sponsors obtain letters of commitment or support from existing users or potential tenants, indicating the need for a crosswind runway. Letters should clearly state why these users currently can't use or have restricted use with the existing primary runway. They must be specific in the reason for their need and anticipated usage of the proposed crosswind if it were constructed to assist with developing the operational usage requirement.

- **Examples of Ineligible AIP Projects at General Aviation Airports:**
(Refer to FAA AIP HB)
 - Full paving around a new or existing hangar.
 - SPCC/SWPPP (a.k.a. Integrated Contingency Plans) - only eligible under AIP as a sponsor reimbursement for an initial fuel farm. Otherwise, not AIP eligible.
 - Maintenance Equipment and Vehicles
 - Office Equipment
 - Administrative offices including airport manager's office or other sponsor administrative areas in terminal buildings
 - Snooze/sleep rooms in terminal buildings
 - Kitchenettes in terminal buildings
 - Airport conference rooms in terminal buildings
 - Maintenance or Repair of Buildings
 - Surveillance cameras
 - Heated pavements
 - Decorative Landscaping
 - Artworks
 - Industrial Park Development


Please note that the following types of projects do not compete for federal discretionary funding: Snow Removal Equipment, Aircraft Rescue Firefighting Equipment (Part 139 airports), crosswind runways, parallel taxiways for crosswind runways.

Please bring a copy of your ACIP including support documentation to your scheduled MAP meeting. It is very important that Airport Sponsors be well prepared for their meeting and ready to present project work items, sketches, justification, and cost estimates.

If we do not receive a response or draft ACIP by the August 19th deadline, a MAP meeting cannot be scheduled. Please be aware that the project work items we may submit to FAA on our Master ACIP may be from your previous ACIP we have on record and therefore, may not be up to date if you don't submit an ACIP for the upcoming programming cycle. This could affect the funding and scheduling of your projects.

Thank you for your efforts in the development of the State Block Grant Program. We understand planning is a challenge, especially when working with several agencies, limited funds, legislation and politics which is why we feel this information and meetings are so important. If you have any questions or comments, please feel free to contact me at either (517) 335-8359 or steudleb@michigan.gov to discuss.

Sincerely,

A handwritten signature in black ink, appearing to read 'Betsy L. Steudle', with a stylized, cursive script.

Betsy L. Steudle, P.E.
Grants & Contracts Unit
Office of Aeronautics

cc: Sponsor Consultants
Project Managers, AERO